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Introducing **Business Cost Reduction**

Business Cost Reduction are experts in cost containment and efficiencies, noted not only for their value for money service, but also for the close collaboration they develop with Clients. They have worked with a diversity of Client companies and organisations of all types and sizes, helping them to achieve savings that range from a few hundred pounds to savings amounting to hundreds of thousands of pounds.

BCR specialise in overhead cost reduction. Targeting the areas of routine business expenditure, they form partnerships with Clients to find savings in areas where most companies rarely look and where, as a consequence, overcharging, excess costs and inefficiencies can occur unnoticed. These are precisely the areas where often significant savings are to be made.

The business was started in 1998 and has already helped scores of Clients who have benefited from BCR's knowledge and expertise; well known commercial and industrial companies and professional firms are among its Clients.



What Sort of Costs? What Sort of Reductions?

The concept that BCR applies is a simple one: one of the easiest ways to generate greater profits is to identify and rectify wastage of resources. That is what BCR do: systematically, thoroughly and professionally, but with a knowledge of the world of supplies, prices, suppliers and methodologies to which few have access.

The extent of wastage and therefore the scale of potential savings cannot be overstated. In many companies up to 20% of their profits will be spent on excessive supplier charges. Often this situation is due to the fact that managers are focused on the development of their own businesses and have not the time or opportunity to deal with the Cost Reduction of overheads, supplies and consumables.

The scope for increased profit through BCR's savings recommendations is correspondingly large, with savings of up to 45% in some areas of expenditure. These cost reductions are not only substantial and easily generated, they are also the most immediate in effect, going straight to the bottom line.

A No Risk, Results Only Service



BCR's savings are achieved at no additional cost to the Client's company. No fees are paid up-front. There are no hefty hourly consultancy rates. Clients are charged on a results-only, contingency basis: if no savings are made, no fees are payable. While the savings identified will continue to accrue to your bottom line profit for at least 5 years, as its reward, BCR charges 50% of the savings achieved - but only for the first two years.



From the Client's point of view it is a totally no-risk situation: there is everything to gain and nothing to lose.



Any organisation with regular business expenditure is a potential Client of BCR and can benefit from their expertise.

BCR's knowledge and skills have been sought by all types and sizes of organisations: from small firms to large multinational corporations, from accountancy and solicitor's partnerships to large manufacturing and construction consortia, from suppliers of automotive components to restaurants and insurance companies, from hospitals and nursing homes to colleges and schools.

Client

Quality, Service and Value for Money

When BCR's analysts team up with a Client on a cost-reduction project, the principal aim and focus of their work is to ensure value for money (VFM) for Clients. "Value For Money" in this context comprises two aspects:

- 1) Increasing efficiencies, the elimination of overcharging and excessive costs and ensuring that prices being paid are the most competitive yet sustainable.
- 2) The guarantee that quality and service are of an equally high standard and, where possible, improved.
- 3) Identifying and reclaiming of duplicate or overpayments, sometimes scary how often or easily these can occur and be missed!

Moreover, our work is carried out with minimal interruption to the Client company. Though we work together with Client company staff for the duration of the project, our analysts conduct their analysis quickly, efficiently and with minimum interference in the Client's day-to-day routine.

Savings achieved are never at the expense of quality or service



Frequently Asked Questions

Are there specific areas of expenditure in which BCR operate ?

Yes, BCR focuses primarily on the areas of routine business overhead expenditure, which tend to be those most often overlooked. Of these, the areas where savings are most commonly made are:

Selection of Common Analysed Areas of Expenditure

- Packaging Costs
- Freight/ Courier Costs
- Printing and Stationary Costs
- Office/ Computer Supplies
- Cleaning/ Detergents
- Maintenance Costs
- Telephone and Mobile Phone Costs
- Protective Clothing
- Travel Costs
- Bank Charges/ Interest
- Waste Management
- Insurance
- Internet Charges
- Fuel – Gas, Diesel, Oil, Electric

Of course, BCR have knowledge and experience of many other expenditure areas as well. Each Client organisation is a particular case, requiring particular attention.



Why should we need the service of BCR?

BCR's role is to analyse our clients expenditure and methodologies, advise on a sustainable solution to maintain standards whilst increasing efficiencies and reducing cost base, oversee the implementation of the chosen recommendations, then monitor and report on the advancements.

There are several reasons why you will find our services helpful. There is no question of our replacing your existing staff - rather, we complement them. We focus on areas and on issues that are not normally within the professional gaze of most. Most Client staff are kept busy checking the major areas of expenditure - an organisation's "core" costs - they have neither the time, the training, nor the experience to look at the areas we focus on, for example:

Many price increases are incremental and are often so gradual nobody takes any notice (but in just five years a 5% annual price increase will raise the cost of a product by more than one fourth). In some cases an item may be entirely unnecessary - first purchased long ago by somebody who is no longer in the same position: nobody asks "Why are we still buying this item?"

There may be items bought year after year in the same old way from the same suppliers; there may be minimal changes and so no one is bothered - but equally no one bothers to check the often substantial, technological changes that may have happened outside in the marketplace and which mean that more competitive prices are obtainable. Many of those in charge of purchasing supplies often do not have time to shop around and negotiate. They automatically order stocks of branded goods without considering the cost. Sometimes too, companies do not co-ordinate purchasing so that different departments use different suppliers for the same product, thus missing out on savings through bulk buys....these are just a few of many scenarios that can lead to excessive costs and we witness them every day!

The fact that these things go unchecked is no criticism of those in the relevant positions: they are frequently too busy to be able to do anything about it. Finally, BCR has many years of experience of countless supplies, suppliers, organisations and prices and our databases are being constantly updated. We know how to spot overcharging, duplicate payments and cost wastage; and we can spot it very quickly indeed!

Does this mean that your investigations will normally result in changes of suppliers?

Not necessarily. In many cases we have achieved significant savings for our Client with the same supplier – and without affecting the long term relationship. In other cases the savings through using a different supplier were greater still.

However, there are always many factors to take into account not least the Client's relationship with the supplier. Most suppliers are prepared to negotiate hard to maintain their business. Equally, most Clients, however close their relationship to the supplier might be, would almost certainly prefer to be informed at least, if overcharging is occurring!

What we do make absolutely sure of is that, whatever the savings achieved - whether with the existing or an alternative supplier - the quality of the product and/or service remains the same, if not better

Does BCR's approach work only with certain organisations?

No, BCR have produced significant savings for Client companies and organisations of all shapes and sizes and with very different business concerns. Wherever there is routine business expenditure, BCR can go to work.

What if you find no possible savings at all?

If we are unable to find any possible savings, then of course there would be no charge.

No savings: no fee – that is our promise.
An entirely no-risk opportunity for our Clients

For how long are we committed to paying BCR the % of the savings achieved?

The savings identified by BCR continue to add to your profit line for approximately five years. We only ask for a percentage of the savings we find for you over the first two-year period. After that, the savings are entirely yours. So working with us, you can only pay out less. Positive cash flow is the name of the game with BCR.

We have a thorough, well-trained and professional staff. They have done an excellent job and I have 100% confidence in their abilities.

Teamwork is everything. We work with your staff. We become an ally, and we, very deliberately and carefully, work to establish confidence and trust, to reassure them that our role is to help and support them in their tasks, not to replace, criticise or cast doubt upon the integrity or efficiency of their work. This is a very important aspect of our operation. What we endeavour to convey is that we are bringing our acquired knowledge and expertise to help them and that when the project is finished, their own work will benefit.

Apart from that, we pride ourselves on the minimal time we actually spend on your premises and on the minimal disruption to your daily work routines.

We run a tight ship, and have pared down our costs to an absolute minimum. We really do not think there is any scope for further savings.

You may well be agreeably surprised. We have had many Clients who have felt there were only minimal savings to be made, yet were surprised and very pleased at the level of savings found. Again, it is because we focus on the areas that companies and organisations tend to neglect. This is not a comment on the efficiency or otherwise of our Clients. It is simply that their focus tends to be on the area of their professional concerns - their core business, and ours is on areas of routine expenditure, which, provided they stay within parameters, tend to go unqueried.



COST REDUCTION
COST MANAGEMENT
COST RECOVERY

BCR Business Cost Reduction

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